

Athanasios Basdekis (AB2574)
Brian A. Glasser (*Pro Hac Vice* forthcoming)
James B. Perrine (Admitted *Pro Hac Vice*)
BAILEY & GLASSER, LLP
209 Capitol Street
Charleston, West Virginia 25301
Phone: (304) 345-6555
Fax: (304) 342-1110
*Counsel for Plaintiff Thomas W. Charron Jr.,
Individually and as Trustee of the Thomas W.
Charron Jr. Grantor Retained Annuity Trust
Dated July 8, 2010*

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

THOMAS W. CHARRON JR., et al.,

Plaintiff,

v.

SALLYPORT GLOBAL HOLDINGS, INC. et
al.,

Defendants.

Civ. No. 1:12-cv-6837-WHP

**PLAINTIFF'S RULE 26(a)(1)
INITIAL DISCLOSURES**

PLAINTIFF THOMAS W. CHARRON'S RULE 26(A)(1) INITIAL DISCLOSURES

Pursuant to Federal Rule of Civil Procedure 26(a)(1) and in accordance with the parties' agreement, Plaintiff Thomas W. Charron Jr., Individually and as Trustee of the Thomas W. Charron Jr. Grantor Retained Annuity Trust Dated July 8, 2010 ("Plaintiff" or "Mr. Charron"), makes the following initial disclosures.

These disclosures are made without waiver of Plaintiff's right to assert any privilege as it may apply to any document or information relevant to this action including the attorney-client privilege and the work-product doctrine. These disclosures constitute the best information presently available to Mr. Charron and are provided without prejudice to Mr. Charron's right to

timely amend, supplement or change these responses. These responses are also subject to correction for inadvertent errors or omissions.

(i) **Rule 26(a)(1)(A)(i)**- Listed below are the individuals likely to have discoverable information in support of Mr. Charron's claims in this case:

Gian (John) DeBlasio
1550 North State Parkway
Chicago, Illinois 60601
Tel: 224-595-5720

John DeBlasio was Mr. Charron's business partner. John DeBlasio was the CEO and as of December 8, 2010, became the sole shareholder of Sallyport Global Holdings, Inc., ("SGH") and, upon information and belief, is a beneficiary of the John P. DeBlasio Trust and The GPD Charitable Trust, formerly known as The John DeBlasio Charitable Trust for World Peace and Development.

Pasquale (Pat) B. DeBlasio
132 Pennsylvania Ave
Bridgeville, PA 15017
Tel: 412-965-3664

Pasquale DeBlasio is an owner of DeBlasio Group and DeBlasio & DeBlasio Associates. He is the trustee of The John P. DeBlasio Trust. Pasquale DeBlasio performed tax, accounting and bookkeeping services for parties in this case. He also helped to set up the various trusts and corporate entities involved in this case and directed their activities alleged in the Complaint.

Franco DeBlasio
136 Sherwood Dr.
Greensburg, PA 15601
Tel: 412-965-3662

Franco DeBlasio is an owner of DeBlasio Group and DeBlasio & DeBlasio Associates. Franco DeBlasio performed tax, accounting and bookkeeping services for parties in this case. He also helped to set up the various trusts and corporate entities involved in this case and directed their activities alleged in the Complaint.

Pasquale (Pat Sr.) V. DeBlasio
132 Pennsylvania Ave
Bridgeville, PA 15017
Tel: 412-221-7100

Pasquale DeBlasio is an owner of DeBlasio Group and DeBlasio & DeBlasio Associates. Pasquale DeBlasio performed tax, accounting and bookkeeping services for parties in this case. He also helped to set up the various trusts and corporate entities involved in this case and directed their activities alleged in the Complaint.

Janet C. DeBlasio

132 Pennsylvania Ave
Bridgeville, PA 15017
Tel: 412-221-7100

Janet DeBlasio is an owner of DeBlasio Group and DeBlasio & DeBlasio Associates. Janet DeBlasio performed tax, accounting and bookkeeping services for parties in this case. She also helped to set up the various trusts and corporate entities involved in this case and directed their activities alleged in the Complaint.

Nick Gross

3733 S. Cherokee Way
Milwaukee, WI 53221
Tel: 414-704-9987

Nick Gross was formerly an Executive Vice President of SGH and knowledge about efforts to sell SGH. He is currently the Chief Operations Officer at KS International which is a portfolio company of DC Capital Partners.

Tauqeer Khalid

Al Mansour District
Baghdad, Iraq
APO AE 09348
Tel: +974-780-128-5490 (C) 1-214-245-4611(O)

Tauqeer Khalin was the Finance and Administrative Manager at SGH while Mr. Charron was an owner of the company.

Glenn Corliss

214 East Elizabeth St.
Fort Collins, Colorado 80525
Tel: 970-481-4652

Glenn Corliss is currently a Principal in Old Town Ventures. John DeBlasio hired Mr. Corliss on behalf of SGH to locate potential purchasers of the company. Mr. Corliss introduced SGH to DC Capital Partners.

Robert F. Toole

4469 Windy Creek Rd.
Manlius, NY 13104
Tel: 315-256-9532

Robert Toole is a partner at Kona HR Consulting. Mr. Toole participated in the buyer due diligence efforts involving SGH and performed HR consulting for SGH.

George Knost

1048 Florida Street
Baton Rouge, LA 70802
Tel: 225-343-0525

George Knost is currently the owner of Arkel International and is knowledgeable about the business dealings between Arkel International and SGH that are relevant to issues raised in the Complaint.

Paul Davis

Power Generation Solutions USA
10732 S Mall Dr.
Baton Rouge, LA 70809-4810
Tel: 22514-0783

Paul Davis is a former employee of Arkel International and is currently the Expansion Chief at Power Generation Solutions. He is knowledgeable about the business dealings between Arkel International and Power Generation Solutions with SGH that are relevant to issues raised in the Complaint.

John Fletcher

Power Generation Solutions USA
10732 S Mall Dr.
Baton Rouge, LA 70809-4810
Tel: 225-614-0783

John Fletcher is currently the Chief Solution Generator at Power Generation Solutions and is knowledgeable about the business dealings between Power Generation Solutions and SGH that are relevant to issues raised in the Complaint.

Anastasia Fletcher

Power Generation Solutions USA
10732 S Mall Dr.
Baton Rouge, LA 70809-4810
Tel: 225-614-0783

Anastasia Fletcher is currently the Mission Controller at Power Generation Solutions and is knowledgeable about the business dealings between Power Generation Solutions and SGH that are relevant to issues raised in the Complaint.

Rajiv Giandeo Reemul

Suite 501 St. James Court
St. Denis St., Port-Louis Mauritius
Tel: 230-210-9961

Rajiv Giandeo Reemul is currently a managing director at Trustlink International Limited and the registered agent of Arkel Sallyport Global, Ltd and WD Solutions, Ltd. He is knowledgeable about the business dealings among Arkel Sallyport Global, Ltd, WD Solutions, Ltd, and SGH that are relevant to issues raised in the Complaint.

Bernardo Garzia Manzano

FOTON Mexico
Av. Vallarta 6503 Torre Corey Piso 10A
C.P. 45010 Col. Ciudad Granja
Zapopan, Jalisco, Mexico
Tel: +52-33-3682-1919

Bernardo Garzia Manzano is currently the CEO of FOTON Mexico and is knowledgeable about business dealings that he had with SGH, its subsidiaries, and/or John DeBlasio that are relevant to issues raised in the Complaint.

Peter Phelps

14062 Lavante Ct.,
Bonita Springs, FL 34135
Tel: 978-807-0027

Peter Phelps was the Chief Financial Officer for SGH from April 2010 until March 2011. Mr. Phelps participated in the buyer due diligence efforts of SGH prior to December 8, 2010.

Graham Robinson

Skadden, Arps, Slate, Meagher & Flom LLP
One Beacon Street
Boston, Massachusetts 02108
Tel: 617-573-4850

Graham Robinson is currently a partner at Skadden Arps. While Mr. Robinson was an attorney at Wilmer Hale, he served as corporate counsel for SGH in connection with the December 2010 sale of Mr. Charron's shares in the company.

Kevin Smith

Red Hat
1801 Varsity Dr.
Raleigh, NC 27606
Tel: 919-890-8396

Kevin Smith is currently Senior Corporate Counsel at Red Hat. While Mr. Smith was an attorney at Wilmer Hale, he served as corporate counsel for SGH in connection with the December 2010 sale of Mr. Charron's shares in the company.

Chris Oliver

214 North Tryon Street, 41st Floor
Charlotte, NC 28202
Tel: 704-414-3140

Chris Oliver is a Managing Director at Sagent Advisors. Mr. Oliver was involved in the process of identifying potential buyers of SGH prior to December 8, 2010.

Jeff McGrath

Wells Fargo Advisors
301 S. Tryon Street
Charlotte, NC 28288
Tel: 704-604-0872

Jeff McGrath is currently a Managing Director at Wells Fargo Advisors. When Mr. McGrath was with Sagent Advisors, he was involved with Mr. Oliver in the process of identifying potential buyers of SGH.

David Kalson

Cohen & Grigsby
625 Liberty Ave.
Pittsburgh, PA 15222
Tel: 412-297-4975

David Kalson is a Director at Cohen & Grigsby. Mr. Kalson provided legal advice to SGH on international tax issues and the creation of foreign trust and other corporate entities.

Henry Cohen

Cohen & Grigsby
27200 Riverview Court, Suite 309
Bonita Springs FL 34134
Tel: 239-390-1903

Henry Cohen is a Director at Cohen & Grigsby. Mr. Cohen set up the John P. DeBlasio Trust and Sallyport Global, Inc. ("SGI"). Mr. Cohen is the registered agent for SGI.

Peter Pearman

Conyers Dill & Pearman
Clarendon House, 2 Church Street
PO Box HM 666
Hamilton HM CX, Bermuda
Tel: 441-295-1422

Peter Pearman is a Director at Conyers Dill & Pearman. Mr. Pearman performed professional services for John DeBlasio in connection with the GDP Charitable Trust and the John DeBlasio Charitable Trust for World Peace and Development.

David Sussman

Codan Trust Company Limited
Richmond House, 12 Par-la-ville Road
PO Box HM 666
Hamilton HM CX, Bermuda
Tel: 441-278-7972

David Sussman is the head of Codan Trust Company Limited, Dill and Pearman's affiliated trust company. Mr. Sussman performed professional services for John DeBlasio in connection with the GDP Charitable Trust and the John DeBlasio Charitable Trust for World Peace and Development.

Deborah Hubbard Taylor

Codan Services Ltd
Clarendon House, 2 Church Street
PO Box HM 666
Hamilton HM CX, Bermuda
Tel: 441-299-4916

Deborah Hubbard Taylor is a corporate manager with Codan Services Limited. Ms. Taylor performed accounting, administrative and business advisory services to Sallyport Global Services Ltd.

Vanessa Schrum

Appleby Services
Canon's Court, 22 Victoria Street
PO Box HM 1179
Hamilton HM EX, Bermuda
Tel: 441-298-3299

Vanessa Schrum is a partner at Appleby Services. Ms. Schrum provided services for John P. DeBlasio in connection with the establishment of the JPD Private Trust Company Ltd.

Judith Collis

Appleby Services
Canon's Court, 22 Victoria Street
PO Box HM 1179
Hamilton HM EX, Bermuda
Tel: 441-298-3211

Judith Collis is a partner at Appleby Services and provided services for Sallyport Global Services.

Kevin Pickels

Ernst & Young LLP
2100 One PPG Place
Pittsburgh, PA 15222
Tel: 412-804-7650

Kevin Pickles is a partner at Ernst & Young LLP. Mr. Pickles provided professional services in connection with preparing audited financials for SGH in 2008, 2009, and 2010.

Joseph Morando

Ernst & Young LLP
2100 One PPG Place
Pittsburgh, PA 15222
Tel: 412-804-7765

Joseph Morando is a partner at Ernst & Young LLP. Mr. Morando provided professional services in connection with preparing audited financials for SGH in 2008, 2009, and 2010.

Dara Castle

McGladrey LLP
1501 M St., NW Suite 340
Washington, D.C. 20005
Tel: 202-370-8200

Dara Castle is a Managing Partner at McGladrey LLP. Ms. Castle was involved in due diligence on behalf of DC Capital Partners with respect to acquiring SGH. She also performed auditing services for DC Capital Partners.

Crystal C. Caesar, BBA (Hons), CPA, JP

HSBC Bank of Bermuda
Harbourview Centre, 37 Front Street
Hamilton HM 11, Bermuda
Tel: 441-299-5553

Crystal C. Caesar is a Relationship Manager at HSBC Bank of Bermuda and has knowledge about the bank accounts and transactions of Sallyport Global Services, Ltd.

Corey D. Cross

HSBC Bank of Bermuda
Harbourview Centre
37 Front Street, 5th floor Hamilton, Bermuda
Tel: 441-299-5737

Corey D. Cross is a Relationship Manager Associate at HSB Bank Bermuda Limited and has knowledge about the bank accounts and transactions of Sallyport Global Services, Ltd.

Branch Manager

CFC Stanbic Bank Ltd.
4th Flr CSB Bldg
Kenyatta Ave. Nairobi, Kenya
Tel: 254-20-326-8000

The person in this position has knowledge about the bank accounts and transaction of Arkel Sallyport Global Ltd. which are relevant to issues raised in the Complaint.

Jeremy M. Vento

Infinity Consultants Inc.
40 Twenty Fourth Street - 4th Floor
Pittsburgh, PA 15222
Tel: 412-697-0697

Jeremy Vento is a Vice President at Infinity Consultants Inc. Mr. Vento provided professional services related to creating a defined benefits program for SGH.

BNY Mellon

Custodian of Records, Alcentra NY, LLC
c/o CT Corporation System
111 Eighth Avenue
New York, NY 10011

BNY Mellon provided a portion of the financing for the acquisition of SGH by DC Capital Partners in June 2011.

Kohlberg Capital

Custodian of Records
KCAP Financial Inc.
c/o CT Corporation System
111 Eighth Avenue
New York, NY 10011

Kohlberg Capital provided a portion of the financing for the acquisition of SGH by DC Capital Partners in June 2011.

George K. Kollitides II

Cerberus Capital Management
229 Park Ave, 22nd Floor
New York, NY 10171
Tel: 212-284-7825

George Kollitides is a Managing Director at Cerberus Capital Management. In 2010, Mr. Kollitides, on behalf of Cerberus Capital Management, submitted a letter of interest in connection with the potential sale of SGH.

Douglas C. Grissom

Madison Dearborn Partners LLC
Three First National Plaza Suite 4600
Chicago, IL 60602
Tel: 312-895-1215

Douglas Grissom is a Managing Director at Madison Dearborn Partners LLC. In 2010, Mr. Grissom, on behalf of Madison Dearborn Partners LLC, submitted a letter of interest in connection with the potential sale of SGH.

Scott Spangler

Jackson Hole Ventures LLC
PO Box 513
7995 Granite Ridge Road
Teton Village, WY 02563-0513

Scott Spangler is associated with Jackson Hole Ventures LLC. In 2010, Mr. Spangler submitted, on behalf of Jackson Hole Ventures LLC, a letter of interest in connection with the potential sale of SGH.

Ben Coes

The Mustang Group LLC
339 Auburn Street
Newton, MA 02466
Tel: 617-467-6800

Ben Coes is a Managing Partner at The Mustang Group LLC. In 2010, Mr. Coes, on behalf of The Mustang Group LLC, submitted a letter of interest in connection with the potential sale of SGH.

J. Richard Knop

FedCap Partners LLC
11951 Freedom Drive, 13th Floor
Reston, Virginia 20190
Tel: 703-251-4514

J. Richard Knop is a managing member at FedCap Partners LLC. In 2010, Mr. Knop, on behalf of FedCap Partners LLC, submitted a letter of interest in connection with the potential sale of SGH.

Aaron P. Wolfe

Sun Capital Partners LLC
100 Park Ave 33rd Floor
New York, NY 10017
Tel: 212-588-0623

Aaron Wolfe is a managing director at Sun Capital Partners LLC. In 2010, Mr. Wolfe, on behalf of Sun Capital Partners LLC, submitted a letter of interest in connection with the potential sale of SGH.

Eric Ewald

Torch Hill Investment Partners
2000 Pennsylvania Avenue NW, Suite 5100
Washington, DC 20006
Tel: 202-536-1210

Eric Ewald is associated with Torch Hill Investment Partners. In 2010, Mr. Ewald, on behalf of Torch Hill Investment Partners, expressed interest in connection with the potential sale of SGH.

Thomas J. Campbell

DC Capital Partners LLC
11 Canal Center Plaza, Suite 350
Alexandria, VA 22314
Tel: 202-247-4789

Thomas J. Campbell is a partner at DC Capital Partners, LLC and directed the activities of DC Capital Partners, LLC alleged in the Complaint. In 2010, Mr. Campbell submitted a letter of interest on behalf of DC Capital Partners, LLC in connection with the potential sale of SGH.

Douglas T. Lake, Jr.

DC Capital Partners LLC
11 Canal Center Plaza, Suite 350
Alexandria, VA 22314
Tel: 202-247-4789

Douglas T. Lake, Jr. is a partner at DC Capital Partners, LLC and, upon information and belief, participated in the activities of DC Capital Partners, LLC alleged in the Complaint.

T. Gail Dady

DC Capital Partners LLC
11 Canal Center Plaza, Suite 350
Alexandria, VA 22314
Tel: 202-247-4789

T. Gail Dady is a partner at DC Capital Partners, LLC and, upon information and belief, participated in the activities of DC Capital Partners, LLC alleged in the Complaint.

Director – Levine Leichtman Capital Partners

335 North Maple Dr. Suite 240
Beverly Hills, CA 90260
Tel: 310-275-5335

In 2010, one or more persons in this position caused Levine Leichtman Capital Partners to submit a letter of interest in connection with the potential sale of SGH.

Anthony Chirikos

Gores Group
10877 Wilshire Blvd, 18th Floor
Los Angeles, CA 90024
Tel: 310-824-7226

Anthony Chirikos is a Vice President at Gores Group. In 2010, Mr. Chirikos, on behalf of Gores Group, submitted a letter of interest in connection with the potential sale of SGH.

Ramzi Musallam

Veritas Capital
590 Madison Ave 41st Flr
New York, NY 10022
Tel: 212-415-6704

Ramzi Musallam is a partner at Veritas Capital. In 2010, Mr. Musallam, on behalf of Veritas Capital, submitted a letter of interest in connection with the potential sale of SGH.

Paul Donahue

Wackenhut Services, Inc.
7121 Fairway Drive, Suite 301
Palm Beach Gardens, FL 33418
Tel: 561-472-0600

Paul Donahue is the President and CEO of Wackenhut Services, Inc. In 2010, Mr. Donahue on behalf of Wackenhut Services, Inc. submitted a letter of interest in connection with the potential sale of SGH.

Mr. Charron may supplement this list as discovery progresses in this matter.

(ii) **Rule 26(a)(1)(A)(ii)**- Documents that Mr. Charron may use to support his claims in this case include the following:

With these disclosures Mr. Charron has produced documents endorsed CHARRON 000001 through CHARRON 000606. These documents include:

1. Sallyport and Sagent Final Fully Executed Agreement (2/25/10)
2. Letter of Intent (12/01/10) (to Charron from Sallyport)
3. Stock Purchase Agreement (12/7/10) (Sallyport Global and Stockholders of Sallyport)
4. Securities Purchase Agreement (5/6/11) (Sallyport Holdings, Kaseman, Sallyport Global Holdings, Inc., Sallyport Global, Inc., John DeBlasio and Stockholders of Sallyport Global Holdings, Inc. and Sallyport Global, Inc.)
5. Amendment 1 to Securities Purchase Agreement (6/11)
6. Correspondence with D. Kalson (9/20/11)
7. Correspondence with D. Kalson (10/6/11)
8. Confidentiality Agreement (3/3/12) (Charron and DeBlasio)
9. Complaint (3/8/12) (Supreme Court of New York) (653644/2011)
10. Complaint – Exhibit A (3/8/12)
11. Complaint – Exhibit B (3/8/12)
12. Answer (4/11/12) (Supreme Court of New York) (653644/2011)
13. Third Party Summons (5/3/12) (Supreme Court of New York) (653644/2011)
14. *JPD Trust v. Sallyport* Complaint and Exhibits and Coversheet (5/25/12) (USDC EDVA) (1:12-cv-572)

15. O'Conner Letter to DeBlasio (7/13/12)
16. Defendants' Motion to Dismiss and Memorandum of Law in Support (7/19/12)
17. Sallyport Global Legal Entity Structure
18. Sagent Letter-invoice (3/26/10)
19. DeBlasio Letter to Charron, re: Working with Torch Hill on Buyout (4/13/10)
20. Madison Dearborn bid to Sagent for Sallyport (7/13/10)
21. Cerebus Capital Letter of interest to Sagent for Sallyport (7/26/10)
22. McLean Group Business Valuation for SGH Inc. as of 4/30/10 (8/05/10)
23. Gores Group letter of interest to Sagent for Sallyport (8/06/10)
24. Levine Leichtman Letter of interest to Sagent for Sallyport (8/08/10)
25. DeBlasio email to Charron, re: Involving Attorney over 1.7M bonus (9/28/10)
26. Veritas Capital bid to Sagent for Sallyport (10/01/10)
27. DeBlasio email to Charron, re: Options Going Forward (10/02/10)
28. DeBlasio Email, re: Tax Options-Corp Structure (11/24/10)
29. E-mail attachment, re: Buying v Selling (11/28/10)
30. DeBlasio email to Charron with offer (11/29/10)
31. Letter of Intent (12/01/10)
32. DeBlasio Email, re: PNC and Funding (12/03/10)
33. DeBlasio Email, re: Sagent and tax (12/03/10)
34. Email from G. Robinson at Wilmer Hale, re: Tax Review (12/03/10)
35. DeBlasio email, re: Buyout (12/05/10)
36. Sale Price Calculation (12/05/10)
37. Charron resignation from SGH (12/07/10)

38. Fully Executed Stock Purchase Agreement (12/07/10)
39. Email from DeBlasio to Charron, re: Sagent and tax owed (12/08/10)
40. Email from K Smith, re: Confirmation of Wire Transfer (12/08/10)
41. McGladrey Audit of Kaseman and Sallyport for 7/1/10-6/30/11 (3/30/12)
42. *JPD Trust v. Sallyport* Complaint & Exhibits (5/25/12)
43. Email from DeBlasio to Charron, re: responding to 7/13/12 demand letter (7/14/12)
44. Motion to Dismiss & Memo in Support (7/19/12)
45. EDVA- Rebuttal to Opposition to MTD (8/8/12)
46. EDVA – Opposition to MTD (8/2/12)

Mr. Charron may also use the following categories of documents in support of his claims.

These documents are not being produced with these disclosures.

1. Documents and correspondence related to the ownership, organizational, and management structures of SGH
2. Documents and correspondence related to the purchase of Mr. Charron's stock in SGH in December 2010, including, but not limited to, the Stock Purchase Agreement
3. Documents and correspondence related to SGH's members' attempts to sell the company before and after December 2010
4. Documents and correspondence related to the sale of SGH in May 2011
5. Documents and correspondence related to the finances of SGH during the relevant time periods
6. Documents and correspondence concerning accounting issues at SGH during the relevant time periods
7. Documents and correspondence related to the relationship of SGH with the DeBlasio Group, DeBlasio & DeBlasio Associates, and others

8. Disclosure Schedules (6/28/11) (Sallyport Holdings LLC, Kaseman, LLC, Sallyport Global Holdings, Inc., Sallyport Global, Inc.)
9. Documents related to financial audits performed for SGH

(iii) **Rule 26(a)(1)(A)(iii)**- Computation of Plaintiffs' Damages

The "Windfall Protection" clause in favor of Mr. Charron contained in the December 7, 2010 Stock Purchase Agreement ("SPA") is triggered by a subsequent transaction (or series of related transactions) in which 20% or more of the stock (by voting power or economic value) of SGH is transferred, and the "enterprise value" of SGH is greater than \$65 million (a "Windfall Sale"). (SPA, § 2.04; Pl.'s Compl. ¶ 42). On June 29, 2011, a "Windfall Sale" closed in the form of the "Kaseman Acquisition." (Pl.'s Compl. ¶¶ 13, 15). The enterprise value of SGH in the Kaseman Acquisition was at least Eighty Two Million Eight Hundred Forty One Thousand Dollars (\$82,841,000.00) (the "Enterprise Value"). Thus, Mr. Charron is entitled to receive twenty percent (20%) of the proceeds received from the Windfall Sale, or Sixteen Million Five Hundred Sixty Eight Thousand Two Hundred Dollars (\$16,568,200.00) (the "Windfall Protection Payment"). (SPA, § 2.04; Pl.'s Compl. ¶ 16, 42).

The Enterprise Value of SGH for the June 2011 Kaseman Acquisition was at least Eighty Two Million Eight Hundred Forty One Thousand Dollars (\$82,841,000.00). The Enterprise Value of the Company for the Kaseman Acquisition is established *inter alia* by reference to Exhibit D to the Complaint in the case of *JPD Private Trust Company, Ltd., as Trustee of The GPD Charitable Trust, Plaintiff, versus KS International, LLC, and Sallyport Global Holdings Inc., Defendants*, Civil Action No.: 1:12CV572-AJT/JFA in the United States District Court for the Eastern District of Virginia, Alexandria Division (the "EDVA Litigation"), namely an Independent Auditor's Report prepared by McGladrey & Pullen, LLP (the "McGladrey Audit").

The McGladrey Audit provided, *inter alia*, an audit of the “consolidated and combined balance sheet of Kaseman Holdings, LLC and Subsidiaries and Sallyport Holdings, LLC and Subsidiaries . . . as of June 30, 2011. . . .” Note 2 of the McGladrey Audit analyzed the Kaseman Acquisition and concluded that the total purchase price for the shares of Sallyport acquired on June 29, 2011, was \$82,841,000.00. However, the McGladrey Audit does not disclose the millions of dollars that, as stated in the Complaint, had been transferred out of SGH in connection with the Kaseman Acquisition.

The Enterprise Value of SGH is higher than \$82,841,000.00 because the Defendants engaged in a transaction and/or series of transactions as referenced in the Windfall Protection provision of the Agreement, whereby Defendant DeBlasio caused SGH to transfer away millions of dollars to the offshore John DeBlasio Charitable Trust for World Peace and Development or others near the closing of the Kaseman Acquisition.

Mr. Charron has not received the money due to him, both individually and as Trustee, under the Windfall Protection provision, namely, twenty percent (20%) of the proceeds from the Kaseman Acquisition. Therefore, Mr. Charron seeks judgment for the actual damages sustained, but which in any event exceed Sixteen Million Five Hundred Sixty Eight Thousand Two Hundred Dollars (\$16,568,200.00) together with punitive damages up to the limit permitted by law and in equity, attorneys’ fees, related expenses, and pre- and post-judgment interest, and such other relief as this Court may deem just and appropriate.

(iv) **Rule 26(a)(1)(A)(iv)**- No party seeks recovery of damages from Mr. Charron and therefore he has no insurance agreement under which an insurance company may be liable in connection with the claims in this case.

Dated: December 13, 2012

Respectfully submitted,

s/ Athanasios Basdekis

Athanasios Basdekis (AB2574)

Brian A. Glasser (*Pro Hac Vice* forthcoming)

James B. Perrine (Admitted *Pro Hac Vice*)

BAILEY & GLASSER, LLP

209 Capitol Street

Charleston, West Virginia 25301

Phone: (304) 345-6555

Fax: (304) 342-1110

Email: tbasdekis@baileyglasser.com

bglasser@baileyglasser.com

jbperine@baileyglasser.com

*Counsel for Plaintiff Thomas W. Charron Jr.,
Individually and as Trustee of the Thomas W.
Charron Jr. Grantor Retained Annuity Trust
Dated July 8, 2010*

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

THOMAS W. CHARRON JR., et al.,

Plaintiff,

v.

SALLYPORT GLOBAL HOLDINGS, INC. et
al.,

Defendants.

Civ. No. 1:12-cv-6837-WHP

CERTIFICATE OF SERVICE

I hereby certify that on the December 13, 2012, I caused the foregoing *Plaintiff's Rule 26(a)(1) Initial Disclosures* to be served upon the following via United States First Class Mail, postage prepaid, and by filing with the Clerk of Court CM/ECF system, which sends notification and makes available the same to all counsel of record:

Anthony D. Boccanfuso, Esquire
Justin Antonipillai, Esquire
555 12th Street, N.W.
Washington, DC 20004
Counsel for Defendant Sallyport Global Holdings, Inc.

Brian P. Waagner, Esquire
Husch Blackwell, LLP
750 17th Street, N.W. – Suite 900
Washington, DC 20006
*Counsel for Defendant JPD Private Trust Company,
Ltd. As Trustee for the GPD Charitable Trust*

s/Athanasios Basdekis

Athanasios Basdekis (AB2574)
BAILEY & GLASSER, LLP
209 Capitol Street
Charleston, West Virginia 25301
Phone: (304) 345-6555
Email: tbasdekis@baileyglasser.com